

United States Department of Agriculture



Natural Resources Conservation Service
675 U.S. Courthouse
801 Broadway
Nashville, Tennessee 37203

February 9, 2005

TENNESSEE BULLETIN NO. 300-05-3

SUBJECT: LTP - ENVIRONMENTAL QUALITY INCENTIVES PROGRAM (EQIP)
LIMITED RESOURCE AND BEGINNING FARMER CERTIFICATION

Purpose. To transmit guidance to Tennessee NRCS field offices for processing EQIP applications with Limited Resource Farmer (LRF) or Beginning Farmer (BF) certification.

Expiration Date: September 30, 2006.

As listed in Block 7a **NOTE** on the CCC-1200, Conservation Program Application/Contract form used for the Environmental Quality Incentives Program (EQIP), "All applicants that certify eligibility as a Limited Resource Farmer or Rancher or Beginning Farmer or Rancher will provide all records necessary to justify their claim as requested by a CCC representative."

Effective immediately, Tennessee NRCS field office staffs will require Limited Resource Farmer or Beginning Farmer applicants who certify their eligibility by signing Block 7a of the CCC-1200 to present the necessary documentation at the time of application.

For fiscal year 2005 only, prior applications that have already been received and processed by NRCS will have applicants provide the required records only if the applicant is funded for a 2005 EQIP contract. To receive the 90 percent cost-share rate, the records must be presented to NRCS **prior** to the contract being developed. Any other new 2005 EQIP applications will have the records presented at signup.

"Necessary records" for Limited Resource Farmer applicants are the last two years of Internal Revenue Service (IRS) Form 1040 filed with the IRS.

"Necessary record" for Beginning Farmers is one IRS form 1040 from the last 10 years that shows the participant did not file a Schedule F with the 1040 form for that year.

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NRCS field office staffs are to ask LRF or BF applicants if they may keep a copy of the necessary tax documents on file in the NRCS folder. **These documents are confidential.** If the applicant is unwilling for a copy to be made and kept on file, then NRCS will document in the assistance notes that the necessary records were presented and the LRF or BF eligibility was verified. By maintaining a copy of the tax documents on file, NRCS will not need to request them once again in the event the individual or entity is randomly selected for the 5 percent Status Review.

It is the responsibility of NRCS field office staffs to be familiar with the requirements for Limited Resource Farmer or Beginning Farmer certification. These requirements are found in the NATIONAL CONSERVATION PROGRAMS MANUAL, CPM-V-440, Amendment 24, October 2004, Part 515.81(c) and Part 515.113(d).

http://policy.nrcs.usda.gov/scripts/lpsiis.dll/M/M_440_515_H_81.htm

http://policy.nrcs.usda.gov/scripts/lpsiis.dll/M/M_440_515_K_113.htm

Questions may be directed to Paul Fulks, Acting Assistant State Conservationist (Programs), at (615) 277-2567 or AnnSue Wattenbarger at (615) 277-2570.

/s/

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